Statement by Minister

Import of Sugar

THE MINISTER OF STATE OF THE MINISTRY OF FOOD (SHRI KALP NATH RAI): Mr. Vice-Chairman, Sir, the Government has been keeping a continued vigil on the sugar prices in the open market. The tendency of increase in the prices which was noticed during the early part of the current sugar season from October, 1993 onwards could be contained by February, 1994. Sugar production during the current season is expected to fall from the last season's level of 106 lakh tonnes to about 104 lakh tonnes. To contain the prices of sugar and ensure adequate availability during the remaining part of the current season and the early part of the next season it has been decided to allow import of sugar under OGL. No duty of customs and no additional duty of customs would be levied on this import. It is expected that this measure would help to augment the domestic supply and keep the open market prices of sugar under check.

The Vice-Chairman (Syed Sibtey Razi) in the Chair.

PROF. SAURIN BHATTACHARYA (WEST BENGAL): Mr. Vice-Chairman, Sir, what should I call it? It is a sweet news or otherwise! I mean, what the Minister has stated in respect of the prices of sugar really contradicts our daily experience. Keeping apart PDS in which sugar is not at all available in the open market the Minister says in the statement that from February, 1994, the sugar prices are coming down. As a matter of fact, even now it is sold at Rs. 14/- per kilogram in the open market making headlines. A remedy has been suggested and, that is, import of sugar. But there are so many other daily necessities which are not only in short supply but are being sold at high prices. Under the Food Ministry, there are so many other things, I don't know whether import will always be our panacea for controlling the prices of food articles in the open market. There are other things. Rice, wheat, jowar and bajra are also there which come within the purview of the Food Ministry.

Mr. Vice-Chairman, Sir, in the instant case, we may overlook the import of just two lakh tonnes of sugar. But that should not be a general policy and I demand an assurance from the Food Minister that it will not be repeated in the case of other essential commodities.

Thank you, Sir.

SHRI N. GIRI PRASAD (Andhra Pradesh): Mr. Vice-Chairman, Sir, the Minister, it seems to me, is very brief and he does not want to give the actual position with regard to the prices before the import of sugar and the prevailing prics in the market today. I think he must have the proper data. I don't know whether by a mere fall of two lakh tonnes in the production of sugar, the prices would go up very steeply. The fall is very marginal. Even according to the statement, the fall in sugar production is very marginal. But this short deficit in the sugar production, I don't think, would be the reason for the increase in the prices of sugar. There must be some other reasons or other inflationary trends which cannot be controlled by the Government's policies. This may not be directly connected with the Ministry of Food. Many State Governments—I want to ask the Minister—are demanding the setting up of more number of sugar factories. If you want to set up a sugar factory, there should be good irrigation facilities, there should be aptitude on the part of growers of sugarcane. But there is demand. For many years, the State Governments were also asking the Centre to allow them to sanction sugar factories. In my State of Andhra Pradesh also, many proposals for sugar factories were pending with the Government. So instead of taking any positive action on this side.

the Government has allowed the sugar production to go down. Naturally, it leads to an increase in the price of sugar. So, I would like to know from the hon. Minister whether the Central Government wants to give clearances or licences to the State Governments to set up new sugar factories, specally in States like Andhra Pradesh where the viability exists. And this increases the availability of sugar in the open market. They should also strictly monitor the public distribution system as far as sugar supply to the consumers is concerned. Unless the Government makes an all-out effort on this front, I think, sugar prices are bound to increase.

Lastly, Sir, I do not know whether this sugar has already been imported or not. But I want to know what the effect is of this on the open mrket prices. Unless he clarifies all these points, I think, the problem still remains. That is why I request the hon. Minister to bestow some thought on these problems and do the needful.

SHRI VITHALRAO MADHAVRAO JADHAV (Maharashtra): Mr. Vice-Chairman, Sir, in the statement itself, the Minister has stated that last year's level of 106 lakh tonnes has fallen down to 104 lakhs this year. The fall is very sharp. And I would like to put on record that due to the policy of the Ministry of Food, my friend, Mr. Kalp Nath Rai has decontrolled molasses. Due to that, the sugar factories all over the country, particularly the co-operative sugar factories in Maharashtra, are very happy because they are in a position to give a more remunerative price to the sugarcane growers of this country. Sir, secondly, I would like to bring to the notice of the hon. House that the High Court in Maharashtra, the Aurangabad Bench, has given a decision that the sugar factories should give a price of Rs 700 per tonne to the sugarcane cultivator. So, naturally with an increase in the remunerative prices of all produce including sugarcane, sometimes the prices of sugar may go up. So, as a preventiven measure, the Minister may be importing some quantity of sugar. It has not been mentioned as to how much quantity is being imported. Import is essential sometimes to maintain the prices of sugar or other commodities. But, at the same time, it must be seen that we export sugar also whenever extra sugar production is there. And this is for the first time that a production of 106 lakh tonnes took place. That is due to the policy of the Government on sugar. The hon. Minister has given more than 70 licences in the recent past. Some of the States have given a number of licences. We must have a comprehensive sugar policy. Our country is very big. By 2,000 AD, our requirement of sugar is going to be 150 lakh tonnes. So, from that point of view, we must see how many licences have to be given in diffrent parts of the country. My friend from Andhra Pradesh has rightly said that there is a demand for more licences in his State. From my State of Maharashtra also, there are more than 200 or 300 applications for licences. Though it is not possible to give such a large number of licences, it must be seen that where there is the feasibility of sugar production, more number of licences should be given to that particular State.

I would like to bring to the notice of the hon. House that the sugarcane production in our country is 25 tonnes per acre on an average. I would not say our production of sugar is the lowest but I would say that it is still very much lower compared to some other sugar-producing countries in the world where they get about 100 or 150 tonnes of production per hectare, compared to our production of 60 to 70 tonnes per hectare. It should be seen that new technology in sugarcane production is introduced which will ultimately benefit the farmrs and also the sugar factories.

[Shri Vithalrao Madhavrao Jadhav]

There is a sugar factory in Australia which can crush 5,000 tonnes of sugarcane in one month with only 36 labbourers employed. It is a completely mechanised sugar factory. Our factories here are age-old. Their extraction capacity is also very low and they hardly extract 80 to 85 per cent of the juice and 15 per cent of it goes waste. It is very essential to stipulate, while issuing licences to the sugar factories either in the co-operative sector or in the private sector, that they must use the modern machinery and modern technology so as to avoid any wastage. The factory working with the modern machinery can extract as much as 99 per cent of the juice. From that point of view, it should be seen that we set up factories with modern equipment and latest technology. We have about 400 sugar factories in the country. If the factories could make use of the modern technology, we can produce even 200 lakh tonnes of suar per annum and our country would not only become self-reliant but would be in a position to export sugar and earn foreign exchange.

Maharashtra is a premier sugarcane or sugar producing State in the country about 40 per cent of the total production. There are many applications for issue of licence pending with the Government. In Maharashtra, cultivation of sugarcane is done very efficiently, and particularly in western Maharashtra, they have a high yield. I suggest that more number of licences should be given in Maharashtra Here, I would not quote my personal case but I would only request the hon. Minister, who is a very efficient Food Minister, to see that more licences are given in Maharashtra. When he took charge of this Ministry, he issued more than 70 licences during the last 2 or 3 years but these were issued in Maharashtra I request him to consider my suggestion in this regard. As I have said earlier, modern technology in sugar production should be introduced as has been introduced in Australia which will certainly result in giving greater benefits to our farmers, the sugarcane producers and I feel that they must get at least Rs. 700 to Rs. 800 per tonne of their produce. Similarly the by-products of the sugarcane, there are about 6 or 7 of them, could be utilised and he should be made complsory for the sugar factory while it is issued a licence.

I hope the hon. Minister will see that this type of a policy is formulated and I am sure our farmers will prosper and also we will not have to import sugar any more. Thank you.

DR. YELAMANCHILI SIVAJI (Andhra Pradesh): It seems, the Government does not have a policy with regard to sugar or similar other essential commodities because during the last 2-3 years we have been resorting to imports. We had to import wheat; then we imported cotton and now we are importing sugar. Instead of resorting to imports, why should we not encourge our farmers to produce more and more? During the early 'eighties, we did not have this problem but due to shortsightedness of the Government—thanks to the performance of the Governmnt at that time—we had to resort to imports in late 'eighties. During the late 80s we resorted to bulk import of sugar and this is the second time in the last one decade that we are resorting to import of sugar. The previous speaker mentioned about the pending applications. When we are talking of liberalisation, when various other industries have been delicensed in this country, liberalisation has not percolated to this sector. About 92 pplications are pending from Andhra Pradesh for the last four years for clearance. Nothing has been done. The existing units are coming in the way so that no new industry comes up, so that there will be demand for the raw material.

The Government is adopting a dual policy in regard to supplying and procuring sugar from the factories The

Government is not consistent. I would like to know: What is the demand and supply position; what is the carry-over stock, what is the estimated utilisation of sugar in this country, is their any invisible hoarding; or, is there any smuggling of sugar taking place to the neighbouring countries, like Nepal and Bangladesh? What effective steps have been taken to stop this smuggling? I know for certain that sugar is being carried from various parts of the country to Calcutta and from there it is smuggled to Nepal. Likewise, it is being smuggled to Bangladesh. (*Interruptions*). Roughly, a metric ton of sugarcane yields about one quintal of sugar. Taking on an average the cost of the control led rice as well as freesale sugar, it is costing more than Rs. 1000 per quintal. Inaddition to that, one metric ton of cane yields about 40 kgs. of molasses, which gives about 2.22 litres of alcohoal. That alcohol is being converted into arrack. An every State Government depending, directly or indirectly, on the sugarcane growers because the revenue collected in the form of excise duty on the sale of arrack is the only source of revenue for them. Recently, molasses were deregulated, decontolled, with the result that the price of molasses has gone up. Hitherto, molasses were selling a controlled price of about Rs. 90 to 100 per metric ton New it is costing something like Rs. 2500 odd. At times it goes up further in some parts of the country. I would like to know from the hon Minister whether in that contingency, the original devaluation policy of the net proceeds between the cane producer as well as the sugar manufacturer will apply to the molasses proceeds or not. I would like to add that the production of cane depends upon the cost and the net realisation to the farmer. if the farmer does not get a net saving out of it, he will automatically shift to alternative crops, like foodgrains. grundnut, etc. Sugarcane s a captal intentsive crop. Everybody knows that. It requires much more fertilizer. Cane demands much moe pesticides and aerial sprayig. Water manurng etc., is warranted. Thanks to the performance of the Govenment, the price of fertilizer and the price of complex fetilizer has gone up by leaps and bounds during the last two to three years. The result is that the cost of production is also going up. I would like to add that sugarcane cutting, harvesting and transporting are also costing much more to the farmer. Now each farmer has to shell down Rs. 200 to harvest and transport each metric tonne to the factory. In other advanced countries they went in for mechanical harvesters but this Government, I was made to believe, is obecting to the utilization of mecaanical harvesters that are being imported from other countries.

So, when the motor car is delicensed when colour TV is delcensed and all luxury goods are delicensed, what is the rationale of the Government in holding back various applications runing into thousands in our country for the last four years to nstall new factories? why can't Government take a decision instead of sitting on the files, whether it is in the Krishi Bhavan or in the Udyog Bhavan? I would like to advise my friend, the exuberant Mr. Kalp Nath Rai, to see that something positive is done to clear the pending applications to finstall new sugar factories in the country.

Thank you, Sir.

SHRI ASHIS SEN (West Bengal): Sir, at the outset what I felt was, what has prompted the Minister to come out with a *suo motu* statement, and that too in a cryptic manner? Except for the purpose, perhaps, that he wants to have legitimatization of the move for import of sugar when our country does not, in the real sense of the term, require it, considering the figure, whatever little, he has given.

DR. YELAMANCHILI SIVAJI: Is there any Bofors in importing it?

SHRI ASHIS SEN: It may be Sufors, not Bofors! Anyway, at what price is sugar selling now? To say that "The tendency of increase in prices which was noticed.....could be contained by February, 1994"—contained how? At the old price? Or contained by raising the administered price of sugar? I do not know if raising of the price by administration it is considered that it is contained, I am not in that paradse. "The sugar production during the current season is expected to fall'—by how much? Two lakh metric tonnes. In a country inhabited by 86—87 crores if two lakh tonnes of sugar is not produced in a subsequent year, does it bring about such a situation that necessarily we have to go to the countries abroad saying, "Give us some because our country's sweetness has gone; it has become salty"? Because a policy has been followed by which sugar is getting turned into salt and so we require more sugar to make it sweet? Is it the reason, for that matter? What has been the effort made for increasing the production?

My other colleagues have already mentioned it and I do not want to repeat that. Are we or are we not still exporting sugar from our country to other places? I want a clear answer from the Minister. On the one hand there will continue to be export of sugar in the name of export promotion like any other object and, on the other, for a shortfall of two lakh tonnes we will go to countries abroad for bringing in sugar to our country by OGL, no customs duty, no additional duty to be given, and they are to be given free access to our market for minting profits. Whas is the reason for that? To contain the prices which are increasing? Could it not be by some extra release from the existing stocks instead of importing? The Minister may kindly apprise the House whether we have got enough reserve stocks of sugar or not. Then, release from that could have necessarily avoided the need for going in for the import of sugar.

From where are you going to import? Will the Minister kindly be transparent enough to inform the House that we have already made a certain commitment and we have to honour that commitment? Which are the countries from where you are bringing it? Would you let the House know so that we can know what is the cross-current of interest lying where?

Here comes then the question of the PDS. How much are you ensuring about it, because you have not mentioned about it? What is the condition of the PDS? For the last three months, from the ration shop from which I draw my rations, I have not got even 100 grams of sugar for my family. Why has that happened so? Is it because there was lack of import? Of course, that is not the reason the Minister will advance. Then where is the sugar? Why are we not getting it? In the PDS you have not ensured their supply. Since you want to increase their prices, that is why you are not ensuring free and easy supply of sugar and other commodities through the ration shops. Is it correct or not? From my personal experience I will not be able to get them. The FCI godowns do not have the stocks? That is why the States are not getting their supply? That is why through the PDS they are not able to distribute. It means you are unnecessarily throwing the PDS out of gear and the States have to go to the open market for sugar. Then in the open market you increase their prices. Then you say since the prices are going up, you are to import. I am totally not in agreement with what the Minister has said in the Statement. But then, would he kindly inform the House whether import of sugar under this plea is the beginning of a period where you want to import other commodities also? That is why your *suo moto* statement?

SHRI S. VIDUTHALAI VIRUMBI (Tamil Nadu): The Statement given by the hon. Minister is incomprehensible. It has revealed nothing. From the Statement what we could understand is: (1) the Government is watching the price situation; (2) the price increased since October 1993; (3) the import of sugar without customs duty has been approved only to see that the prices are contained. With thes three or four sentences a statement has been submitted to this august House. There are so many things we are expecting from the Ministry, but they have not been done so far. For example a bulletin recently issued on the current economic scenario says:

> "The following table shows the sectoral composition and growth rates of Grass Domestic Product: Agriculture and allied activities of which Agriculture is: from 4.9 per cent in 1990-91 to 5.1 per cent in 1992-93."

That means the agriculture shows an uptrend. But regarding the sugar-cane production, in the Economic Survey they have given this figure and I quote because this has not come in the Statement:

> "Since 1985-86 production of sugarcane had maintained uptrend until it touched 254 million tonnes in 1991-92. In 1992-93, it declined to 23-.8 million tonnes mainly due to a decline in area from 3.84 million hectares in 1991-92 to 3.62 million hectares in 1992-93. During 1993-94, the acreage under sugarcane is expected to decline further by 3 per cent, though the production is expected to be around last year's level."

This is regarding sugar-cane they have mentioned. But about the sugar production, it is what the Economic Survey says:

> "Sugar industry is one of the very few industries which consistently maintained a high growth in the three years ending 1991-92. Average annual growth of production of sugarcane in the past 3 years upto 1991-92 was 7.1 per cent, that of sugarcane crushed by the sugar factories 16.5 per cent and that of sugar production 15.5 per cent. However, sugar production during the sugar year of 1992-98 (October-September) was 105.64 lakh tonnes i.e. 21.2 per cent less than the previous year's production of 134. 11 lakh tonnes. The recovery rate has shown an increasing trend during past 3 years. There are reports that sugar production during April—October, 1993-94 has declined by 37.4 per cent. This is a result of lower area being brought into sugarcane cultivation this year. However, sugar stocks are at a comfortable level."

This is what is important. However, the sugar stocks are at a comfortable level and there is no danger of supply bottlenecks in the economy.' This is what they say "The sugar stocks in the beginning of 1993-94 sugar season are estimated at 31.13 lakh tonnes. The consumption has increased by 4.3 per cent, 4.1 per cent and 7.3 per cent respectively during the last three years." Having gone into all these things, how did they say that sugar stocks are at a comfortable level? They have given this picture in the Economic Survel. They have not given the reason for reduction in the production of sugar in the statement. The reason they gave is decrease in the area of cultivation. What is the reasons for decrease in the area of cultivation? This has not been mentioned. This is number one.

Number two, they say that the tendency of increase in prices which was noticed during the early part of the current sugar season from October, 1993 onwards could be contained by February, 1994. But what the people say in North India is that after elections were announced in the four States, the price of sugar

has been increased. Therefore, there is no nexus between the sugar season and the price rise. But ther is a nexus between the elections to the four States and the sugar price. I do not know whether it is true or not If it is true, then, what is the proposal of the Government to contain the price of sugar? The whole country believes that there is a nexus betwen the price rise and elections to the four States. The Governmnt should come forward with a reply on this issue.

Then, they say that they are not going to impose any customs duty on this import. May I know from the Minister, what is the prevailing rate of sugar in the international market and what is the prevailing rate in the Indian market? How much foreign exchange are we going to lose by import of sugar? Then, how much reduction would be in our fertiliser consumption? The Government has increased the price of fertiliser. What I fear is that due to increase in the fertiliser price, our farmers may resort to reduced area of sugarcane.

Then, I want to say something about cost analysis. The other day, my hon. friend, Mr. Narayanasamy had mentioned that since support price of sugarcane has been increased, the issue price of sugar also has to be increased in the PDS. Automatically the market price of sugar also increases. What I want to say is that if the amount realised through the sale of molasses is included in the fixation of the price of sugar, then, there would not be any need to increase the support price. amount realised through the sale of molasses could have been adj at the time of enhancement of port price. This is the cost anal There is a bungling in the sale of molasses by the sugar industry. May I know from the Minister whether there is any proposal to include a labour representative on the board of sugar industry to see how much money is being realised through the sale of molasses? If these things are mentioned clearly, then, we can find out the reasons for ease in the p of sugar

Then, I want to know from the hon. Minister how much foreign exchange we are going to lose through import of sugar. The Minister also should explain to us how much additional revenue earned on fertilisers will be used for sugarcane production. What is the difference between these two amounts on account of these two decisions? The Government wants to hide more things than it wants to reveal I want categorical answers to my questions. Thank you.

SHRI INDER KUMAR GUJRAL (Bihar): Mr. Vice-Chairman, Sir, I have only a few queries to make I do not went to make any comments. My queries are very simple. The statement very clearly tells us that as compared to the last year, there is going to be a shortfall of 2 lakh tonnes of sugar production. The Government might tell us what the estimate of sugar consumption this year is and what the shortfall in the sugar production is. I would also like to know what the quantum of sugar exported this year is and how much foreign exchange has been earned on account of that, what was the international quota of sugar on the basis of which we have exported and has that quota been fulfilled or is there stil some gap in that quota to be filled? Since it is an OGL item and free for all, does—the Government propose to permit the private sector to import as much sugar as they want to? Or is the Government going to import on the public-sector basis? Is the STC going to import and is there going to be any ceiling indication of the prices? At what price will the Government permit? The Government is going to exempt them from import duty and everything. So, is the Gov-

ernment going to lay and ceiling as to what international price should be paid? There is a general tendency that when a country like India goes to the international market to buy, there is always as lip in price. Is the Government working out some mechanism to see that we are not robbed of the very valuable foreign exchange and therefore, is it not wise for the Government to import on the Goverment account so that the mechanism can be kept under control? May I also know if the Government is going to allow imports under the OGL? Has the Government decided how much in total quantum will it allow? Will it just permit it to go on until one day it stops? Then there will be always an allegation of favoritism. That danger will be there. I am cautioning the hon. Minister who is a friend that the danger is that some people will do the first flush of imports and then you might realise that you needed 'X' amount and 'X' plus' has come and therefore, you would stop import. Then the allegation will be made that you are permitting only favourites to import and when it comes to others, you are going to stop imports. Kindly let us know things in that context also, kindly let us also know how much foreign exchange has been allocated for the total imports to be allowed. It should not be that all the valuable money that you have earned this year just goes only for sugar. Is there going to be any ceiling on it?

I would also like to know what the international price prevailing today is. What is the Government's intelligence from abroad, from the missions, as to what effect it is going to have? Is it the moment when the prices are low in the international market or is it when the prices are high in the intenational maket? Has the Government made a study as to what the right moment to enter the international market? Is that being kept in mind? Also, please tell me if there is going to be any price control on the imported sugar when it comes to the market here. Or will it be that the importer can sell it at whatever pice he likes or will he have to surender it to the Government and to the public distribution system or will it be only in the open market? I would like to be enlightened on all these points. There is only one more point. Has the Government really so worked out, in the light of what my hon. friends have said, that in the next year, the same situation will not be repeated? What steps has the Government visualised to take care of that?

श्री मूल चन्द मीणा (राजस्थान) : उपसभाध्यक्ष महोदय, मंत्री जी के वक्तव्य से एक ही बात साफ होती है कि चीनी का आयात करना है, लेकिन मंत्री जी के वक्तव्य के अन्दर कई बातें जो मंत्री जी को वक्तव्य में बतानी चाहियें थी, वह नहीं बता पाये । वक्तव्य से एक बात स्पष्ट होती है कि पिछले साल के बजाय इस साल चीनी का उत्पादन 2 लाख मीट्रिक टन कम हुआ है । चीनी का उत्पादन कम होने के पीछे क्या कारण थे, यह तो मंत्री जी को बताना चाहिये । प्राकृतिक आपदा के कारण, गन्ना न होने के कारण मिलें बन्द रहीं या नयी मिलों की कमी के कारण चीनी उत्पादन नहीं हो सका ? जैसा कि मेरे से पूर्व वक्ता जाधव साहब ने बताया कि 17 मिलों के लिये मंत्री जी ने नए लाइसेंस भी दिये हैं। मैं यह मानता हूं कि हिन्दुस्तान के अन्दर गन्ने की उपज के कारण चीनी कम होना, यह बात तो मुनासिब नहीं है, जब कि आन्ध्र , कर्नाटक, पश्चिम-बंगाल, यू०पी० में गन्ने की उपज अच्छी हो रही है । महाराष्ट्र में इस बार वर्षा न होने के कारण गन्ने की उपज कम हुई है । मैं यह जानना चाहता हूं कि आपने जो लाइसेंस दिए हैं, नयी चीनी मिलों के लिये, वह किस-किस स्टेट में, कितन-कितने दिए हैं और कितने ऐसे लाइसेंस लेने वाले लोग हैं, जिनकी ऐप्लीकेशन आपके पास है, उनको लाइसेंस न देने के पीछे क्या क्या कारण है ?

हिन्दुस्तान हमेशा चीनी का निर्यात करता रहा है । लेकिन कुछ परिस्थितियों के कारण क्या आप महाराष्ट्र के अन्दर

जो चीनी मिलें बन्द हो रही हैं, क्या आयात लाइसेंस उन चीनी मिलों को देंगे, जिससे कि उनकी मिलें बन्द रहने के कारण जो खाना पूर्ति हैं, वह पूरी हो जाये। मैं मंत्री जी से जानना चाहता हूं कि क्या इस आयात से किसान के हितों पर कुठाराघात नहीं होगा ? साथ ही मैं यह भी जानना चाहता हूं कि चीनी आयात करने के बाद चीनी के मूल्यों में बढ़ोत्तरी को आप किस प्रकार से रोकेंगे ? आपने कस्टम ड्यूटी को अलग रखा है जब कि बजट के अन्दर किसी भी चीज पर करों को कम किया जाता है तो उस का फायदा उपभोक्ताओं को नहीं मिलता है। तो मंत्री जी आप कस्टम ड्यूटी के अतिरिक्त जो कर लगा चुके हैं, उससे शुल्क को दूर रखते हुए इनको लाइसेंस दे रहे हैं, ज्यादा से ज्यादा दे रहे हैं, तो आप इन पर नियंत्रण किस प्रकार से रखेंगे, यह भी बता दें।

SHRI GOPALSINH G. SOLANKI (Gujarat): Thank you very much for giving me this opportunity. Sir, so far as the statement is concerned, it reveals the shortage of 2 lakh tonnes of sugar production. I would like to ask a simple question in this regard. How many applications for grant of licences have been pending from Gujarat and since when? As per my information, for the last ten years, cooperative societies have been asking for licences but their applications have not been looked into. At the same time, as was stated by Mr. Sivaji, many applications from Maharashtra and Andhra Pradesh are pending with the Government. There are fifteen applications from Madhya Pradesh which are pending with the Government. By not granting licences to the sugar factories, the Government is perpetrating injustice on the farmers as well as on those who are growing sugarcane. At the same time, I would like to know from which country they are importing sugar, at what price and at what rate they are going to give it to the consumers. Within a couple of days, the price of sugar has gone up from Rs. 8|- per kg to Rs. 12|- per kg. I would like to know whether the Government is thinking of controlling the rate and bringing it back to Rs. 8|- per kg.

श्री अनन्त राम जायसवाल (उत्तर प्रदेश) : उपसभाध्यक्ष जी, माननीय मंत्री जी के वक्तव्य से पता चलता है कि आज चीनी के दाम बढ़ रहे हैं और प्रोडक्शन कम है। इस लिए इनको चीनी बाहर से मंगाने की जरूरत है। तो इस सिलसिले में जरूरी सवाल यह उठता है कि जिस पर से क्लेरिफिकेशन चाहता हूं कि चीनी का वर्तमान स्टाक क्या है, पैदावार कितनी होने वाली है और जो प्रजेंट रेट आफ कंजप्शन है, आपका इस को देखते हुए क्या चीनी आपके पास काफी है, साल भर के लिये या नहीं ? यह मेरा पहला क्लैरिफिकेशन है ।

दूसरा प्रश्न मेरा यह है कि चीनी का उत्पादन घटा क्यों ? मिलें समय से नहीं चलीं या गन्ने की पैदावार कम हुई या कितना गन्ना पैदा हुआ या किसी दूसरी जगह पर चला गया है, गन्ना चीनी मिलों को नहीं मिला, क्या कारण है, मंत्री जी इस पर प्रकाश डालें।

जहां तक चीनी के दामों का सवाल है, इस वक्त अन्तर्राष्ट्रीय मार्किट में शायद चीनी के दाम कम हों। लेकिन अगर चीन और हिन्दुस्तान जैसे देश जायेंगे, चीनी की खरीद के लिये तो वह दाम निश्चित रूप में बढ़ेंगे। क्या इसका तकाजा है। सरकार को अगर इसका अन्दाजा है तो उस स्थिति के पहले आप इस काम को कर लेंगे या नहीं। ये कुछ क्लैरिफिकेशन्स हैं, जिनके बारे में मैं जानना चाहूंगा।

SHRI SHIVAJIRAO GIRIDHAR PATIL (Maharashtra): Thank you, Sir. Let me first congratulate the Minister for coming with a very important, honest statement. The

sugarcane production in the country is very low and, as the statement shows, the Government has been noticing it for the last two or three months. There had been many meetings held between the industry people and the Government and both of them have come to the conclusion that sugar stocks are going to be very low. I am glad that the Government has come forth with a very relevant decision. There are many questions being raised regarding the prices. First of all, let me tell you that three years back, sugarcane production in the country was 133 lakh tonnes. It came down to 106 lakh tonnes in the last year and this year, it may not cross even 104 lakh tonnes whereas the need for sugar in the country is 116 lakh tonnes; maybe, 120 lakh tonnes. Considering the growth in demand, it became necessary for the Government to immediately realise the problem and come out with such a decision. I am glad that the Government has come up with a statement.

There were certain questions raised about the increase in prices and the fall in production. Firstly, let his august House know that sugar production is related to sugar cycles. It depends on the production of cane which, again, can be affected by many factors. Some factors are shortage of water, change in prices, diversion of land. One of the hon. Members has rightly said that there has been diversion of land from sugarcane to other crops because the farmers are not getting a proper price, a reasonable price, for sugarcane. And that is one reason. And unless we are able to arrive at a reasonable level of price in respect of sugarcane, the contribution of famers towards sugarcane production will not increase. I have mentioned in detail how the cost of sugarcane production has increased. Particularly after the levying of a duty on fertilisers, the farmers are finding it difficult to produce more. And unless they are given an adequate price, and reasonable price for sugarcane, they will not produce more. For other crops like oilseeds and pulses, they are getting much better prices. That is one reason why the sugarcane production has gone down.

There is another important reason for which the policy of the Government has to be really analysed in the context of the new decision taken by the Government. In U.P., Sir, this year the sugarcane crop is very good I would say, at least, satisfactory. And yet, in U.P. also, there is a great deal of diversion of land from sugarcane to jaggery and khandsari. Let me also tell this House that this diversion from sugar to jaggery and khandsari is nothing but a great national loss because all the mechanisms are for extracting the cane. They never get more than 4.65 per cent of sugar. While these factories have a compulsion to move beyond 1994, the Government should really decide first why they are exempting this import of khandsari from levying a duty because that would enable more sugarcane coming to the factories.

A question was raised about molasses. The present Minister, hon. Mr. Kalp Nath Rai, had succeeded, with great efforts, in decontrolling the prices of molasses. But this House must also know that this decontrolling has not come into force everywhere. In fact, it has not at all been enforced. Every State Government is imposing certain other rules. The U.P. Government has got one rule, Karnataka has another, Gujarat has something else. Though Maharashtra started to have an open policy, the Maharashtra Government is now also restricting the policy of decontrol. There is a thinking in the minds of many people that the decontrol has benefited the sugar farmers and the sugar industry very much. It is not so, Sir. Yes, it would benefit, but let me also tell the hon. Members that as far as the SMP (Statutory Minimum

price) is concerned,.... it is determined by the Commission for Agricultural Costs and Prices. The molasses sale price should be considered while determining the price of levy sugar-cane and that would reduce the levy price. So, it is not as easy as you think. The most important factor is that unless you allow the farmer to have a reasonable price, nobody is going to be able to sell it cheaply. After four days the Supreme Court is going to listen to a case on the decision of a High Court which has ordered that all the sugar farmers must be paid Rs. 740 per tonne. If Rs. 740 is to be paid per tonne, let this august House understand—I would urge upon Shri Gujral to consider his point very seriously— that with Rs. 105 on transporting, harvesting and depreciation and with Rs. 250 on other things, sugar would, in any case, cost not less than Rs. 10.50 at ex-factory level. Even when 40 per cent of the sugar is taken at a very low price the total price could not be less than Rs. 11.50 or 12 and when it is Rs. 12 at the factory level it cannot be sold at less than Rs. 13.00 or 13.50. So, this House should understand this. I have only two important suggestions to make. It is true that the stock is low. It is necessary that the stock should be built to see that the prices do not go beyond a certain level. I would make only one request to the Minister and that is when there are other products like jaggery and khandasari available in the market, some people think by releasing the quota the prices can be reduced. No. By releasing the quota you are depleting your stock. When stock is depleted, the price will be very high. I will request the Government to consider the release the policy.... (*Time bell rings*)... Kindly give me one or two minutes more. The prices are also going up high in the international market. The stock of sugar in international market is much low and it is necessary that the Government should come forward with this. I am glad that the Government has done it. The Government must also think about jaggery and khandasari so that proper pricing of sugar can be done.

श्री आनन्द प्रकाश गौतम (उत्तर प्रदेश): श्रीमन्, माननीय मंत्री जी के वक्तव्य से केवल इस बात की इत्तिला मिलती है कि उन्होंने शुगर इम्पोर्ट करने के लिये लाइसेंस जारी करने का निर्णय ले लिया है। बाकी जो तथ्य इसमें दिये जाने चाहिये थे कि क्यों इसको करना पड़ा, इसके बारे में कोई विस्तृत ब्यौरा नहीं है, इसलिये कुछ आशंकायें उत्पन्न होती हैं। आपने जो कारण बताये हैं उसमें आपने लिखा है कि : "चीनी की आपूर्ति में वृद्धि करने और खुले बाजार में चीनी के मूल्यों पर नियंत्रण रखने में मदद मिलेगी" इसलिय उनको आयात करने की आवश्यकता पड़ी है। मैं इस संबंध में मंत्री जी से जानना चाहता हूं कि आप जो शुगर इम्पोर्ट करना चाहते हैं वह शुगर जहां कहां से भी, जिस देश से भी इम्पोर्ट करेंगे, अंतरराष्ट्रीय बाजार में उसकी क्या कीमत है ? क्या वह हमारे देश में जो यहां की उत्पादित चीनी है, उससे सस्ते दामों में पड़ेगा या नहीं पड़ेगा ?

दूसरी बात यह है कि मंत्री महोदय को जो यह मूल्य वृद्धि के बारे में अक्टूबर में खबर मिली तो यह जो मूल्य वृद्धि है क्या इसकी आपूर्ति के लिये उन्होंने एक ही रास्ता सोचा है कि हमेशा वह इसी तरह से आयात करने के बाद मूल्यों पर नियंत्रण करेंगे ? क्या यह परमानेंट निर्णय है कि हम आयात करेंगे ? मैं यह भी जानना चाहता हूं कि पिछले तीन वर्षों में प्रति वर्ष जो चीनी का आयात हमारे देश में विदेशों से हुआ है उसमें कितनी विदेशी मुद्रा खर्च हुई है ?

तीसरी बात यह है कि जब यह स्थायी रूप से हल नहीं है, हमारे हिसाब से, तो मैं जानना चाहता हूं कि अपने देश में इसकी खपत को पूरा करने के लिये, इसकी आपूर्ति को बनाय रखने के लिये, मूल्यों पर नियंत्रण रखने के लिये चीनी के उत्पादन में और वृद्धि लाने के लिये सरकार किन उपायों का उपयोग करेगी ? हमारे देश में किसान,

खासतौर से जो गन्ना उत्पादन करते हैं उनको निरुत्साहित किया जाता है । इसलिये उनको उचित मूल्य नही मिलते और लगातार है इसके लिये उनको आंदोलन करने पड़ते है, इसके लिये उनको जानें भी देनी पड़ती हैं, माननीय मंत्री जी उत्तर प्रदेश से हैं, उनको तो इसका पता है ।

अपने बकाया मूल्यों को प्राप्त करने के लिए किसानों को अपनी जानें देनी पड़ी हैं पिछले वर्षों में तो क्या माननीय मंत्री जी चीनी मिलों को इस प्रकार का कोई निर्देश देगें कि हमारे देश के किसानों को उत्साहित करने के लिए वह गन्ना बोएं और उनको तत्काल मूल्य मिल जाए ? चीनी मिलों को कोई ऐसा निर्देश होगा कि तत्काल उनको मूल्य को भुगतान किया जाए ? इसके साथ ही मैं यह भी कहना चाहता हूं कि तीन-तीन , चार-चार वर्षों से गन्ने का मूल्य बकाया पड़ा रहता है और इस पैसे पर इंडस्ट्रीज वाले इंट्रेस्ट खाते रहते हैं । किसानों के बकाया पैसे पर ब्याज दिलाने के लिये, हमारे देश के किसानों को उत्साहित करने के लिए ताकि वे ज्यादा गन्ने का उत्पादन करें और आप इस आयात से बच सकें, इस प्रकार का क्या आप कोई उपाय करने जा रहे है ? धन्यवाद ।

श्री संघ प्रिय गौतम (उत्तर प्रदेश) : उपसभाध्यक्ष महोदय, जब हम अदालत में वकालत करते थे और पुलिस किसी मुजरिम को मनगढंत मुकदमे में फंसा लाती थी और बहुत बढ़िया गवाही देने के बाद भी बहुत बड़ा लेकन रह जाए और पुलिस का सारा मुकदमा ध्वस्त हो जाए तो हम एक सेंटेंस कहा करते थे—

"The prosecution must come with a clean hand."

मेरा इस सरकार पर आरोप है और और मुझे बड़ी शंका है इनकी नीयत पर । They are not coing up with a clean hand.

यह जो कुछ आप कर रहे हैं चाहे आप बैंकिंग रेगुलेशन अमेंडमेंट बिल ला रहे हैं, चाहे प्राइवेटाइजेशन कर रहे हैं, चाहे आप शुगर का इम्पोर्ट कर रहे हैं । इनकी नीयत खराब है और मैं सिद्ध करूंगा कि यह सब कुछ वर्ल्ड बैंक, इंटरनेशनल मोनिटरी फण्ड और गेट पर हस्ताक्षर करने की जल्दबाजी करने के लिए कर रहे हैं : मैं इनके वक्तव्य को पढ़ कर स्पष्टीकरण पूछना चाहूंगा । "सरकार खुले बाजार में चीनी के मूल्यों पर निरन्तर नजर रखती है ।" तो सरकार की नजर कहां चली गई ? जब उनके मूल्य बढ़ गय, क्यों बढ़ गये ? कहां थी तुम्हारी नजर ? सरकार की नजर गायब हो गई । यह मेरा पहला सवाल है ।

दूसरा आपने कहा, "वर्तमान चीनी मौसम के शुरू में अक्टूबर, 1993 और उसके बाद चीनी के मूल्यों में वृद्धि की जो प्रवृत्ति देखने में आई थी, उस पर फरवरी 1994 तक काबू पाया जा सका था ? ' आपने उस पर काबू पा लिया, कैसे काबू पाया ? अगर इम्पोर्ट कर के काबू नहीं पाया तो सिर्फ सात महीने बचे हैं और अभी पिराई भी हो रही है । यह पिराई मार्च तक होगी । अक्तूबर में पिराई फिर शुरू हो जाएगी । क्या इन सात महीनों में आप बगैर इम्पोर्ट के काबू नहीं पा सकते ? आपकी नीयत खराब है ।

तीसरी बात, आपने यह कहा कि वर्तमान मौसम में चीनी की उत्पादन में कमी होने की आशंका है । क्या कारण है कमी होने का ? क्या कोई बीमारी लग गई है ? क्या गन्ने से चीनी की रिक्वरी कम हो रही है ? जो बातें पूछ ली गई हैं, मैं उनको दोहरा नहीं रहा हूं । मैं यह पूछना चाहता हूं कि क्या रिक्वरी में कमी हो रही है ? क्या शुगरकन कम क्षेत्रफल में इस बार बोया गया है जिसकी वजह से चीनी के उत्पादन में कमी आ रही है ? आखिर कारण तो आप बताइये । आप जब तक कारण नहीं बताते कैसे चीनी कम हो जाएगी ? यह अगर चीनी की कमी हो रही है तो ये सब आपकी वजह से ही हो रही है ? गन्ने के उत्पादन के लिए खाद चाहिये, आपने खाद पर सबसिडी कम कर दी है। गन्ने के लिए चाहिये पानी आपने डीजल के दाम बढ़ा दिये ? फिर बोरिंग पसेनी कौन लेगा किसान . . . (व्यवधान)

श्री विठ्ठलराव माधवराव जाधव : महाराष्ट्र में तो राष्ट्रीय आपात काल...

श्री संघ प्रिय गौतम : महाराष्ट्र तो बहुत बड़ा है, मैं दिल्ली की बात कर रहा हूं। दिल्ली के आसपास ग्रीन बेल्ट थी। गाजियाबाद के पास जहां पर यह तय था कि ग्रीन बेल्ट हो। यहां की जमीन का आबादी के लिए फेक्टरियों के लिए इस्तेमाल नहीं किया जाएगा। दिल्ली के चारों तरफ मेरठ डिविज़न सब से ज्यादा गन्ना पैदा करता था। आपने पूरे इलाके में आबादी खड़ी कर दी है जिसमें चार चार फसलें होती थीं, अन्धाधुंध चीनी पैदा होती थी वहां आपने उस एरिया में फैक्टरियां बना दी हैं। क्या उद्योगों की पैदावार खेती की पैदावार के मुकाबले में ज्यादा फायदेमंद है, क्या आपने इसका कोई एनेलेसिज़ किया है ? यह बात तो समझ में आती है आपने ग्रीन बेल्ट का औद्योगिकरण किया है। दूसरी बात, जब राष्ट्रीय राजधानी क्षेत्र आपका सौ-डेढ़ सौ किलोमीटर के एरिया में है तो ग्रीन बेल्ट में आपने आबादी क्यों बनाई जहां पर चीनी पैदा होती थी, गन्ना पैदा होता था। क्यों नहीं ऊसर, बंजर जमीन और नालों को खोदकर, इनको एकसार करके आबादी बनाई। कौन इसके लिए जिम्मेदार है ? फिर मैं आपसे आखिरी सवाल पूछता हूं। क्या आप अपने नेताओं को भूल गये। लाल बहादुर शास्त्री जी ने नारा लगाया था "जय जवान जय किसान"..... **(समय की घंटी)** मैं सवाल पूछ रहा हूं।

एक दिन का खाना बंद। सारे देश के लोगों ने एक दिन में एक समय का खाना बंद कर दिया था। क्या हम लोग जो बच्चे, बीमार और जरुरत मंद हैं उन्हें छोड़कर एक दिन चीनी नहीं खायेंगे तो मर जायेंगे, हम इस देश के लोग ? कभी आपने देश के लोगों से कहा ? नहीं कहा। इस खपत को बगैर आयात किये हम पूरा कर सकते हैं। हमारा आरोप है आप पर। आप कभी जनता के सामने गये नहीं। आपने कभी देश के लोगों से पूछा नहीं कि एक समय की चीनी आप कम कर दीजिए। देश पर संकट है। इस आयात के क्या नतायज होंगे कभी आपने यह सोचा है। फिर अंतिम सवाल, आगे चीनी ज्यादा पैदा हो इसके लिए आपने क्या उपाय किये हैं ?

How much land you have brought under cultivation? How much unirrigated land have brought under irrigation? What facilities, such as fertilizers, water seeds and other inputs are going to give to the farmers.

आप बताइए। अगर यह नहीं है तो इससे कुछ नहीं होने वाला है। इसलिए मंत्री जी ईमानदारी से आप बता दीजिए कि इम्पोर्ट क्यों कर रहे हैं ?

श्री अनन्तराय देवशंकर दवे (गुजरात) : नीयत खराब है।

खाद्य मंत्रालय के राज्य मंत्री (श्री कल्प नाथ राय) : आदरणीय सभाध्यक्ष जी, हमारे माननीय संसद सदस्यों ने जो सवाल उठाया है उनको मैं बताना चाहता हूं कि 1991-92 में 134 लाख टन चीनी का उत्पादन हुआ, 1992-93 में 106 लाख टन का और इस वर्ष 104 लाख टन चीनी का उत्पादन होने की सम्भावना है। क्यों क हुआ। महाराष्ट्र में, जो हाइएस्ट चीनी पैदा करता था वहां सूखा पड़ा हुआ है जिसके कारण 40 परसेंट जो चीनी... **(व्यवधान)** मुझे बात करने दीजिए। आप बैठिये।

श्री अनन्तराय देवशंकर दवे : कोई महाराष्ट्र में नहीं है... **(व्यवधान)**

श्री कल्प नाथ राय : महाराष्ट्र में चीनी का उत्पादन 40 परसेंट से..... **(व्यवधान)** आप जब बोल रहे मैं थेने आपकी बात सुनी, अब आप हमारी बत सुनिये।

36 परसेंट महाराष्ट्र, पूरे हिंदुस्तान की चीनी का प्रोड्यूसर 1989-90 में था वह उत्पादन 36 परसेंट से घट कर 30 परसेंट हो गया।

दूसरी बात हमारे मित्रों ने कही कि कैसे चीनी का उत्पादन बढ़ेगा। 475 करोड़ रुपया किसानों का बकाया था जब

मैं खाद्य मंत्री बना । उसमें से 410 करोड़ रुपया बकाया दे दिया गया है जब किसानों को उसके गन्ने का दाम मिलेगा तो उ खेती को करने के लिए वह प्रोत्साहित होगा । इतना ज्यादा किसानों के बकाये का भुगतान कभी नहीं हुआ पिछले 40–46 या 47 वर्षों में और सबसे कम इस समय एरियर्स हमारे ऊपर है ।

दूसरी बात आपसे कहनी है कि जितना गन्ने का दाम नरसिंह राव जी की सरकार ने बढ़ाया है उतना 46 साल में कभी नहीं बढ़ाया । यह बात सभी जानते हैं । जब गन्ने का दाम बढ़ाया गया और एरियर्स का पेमेंट कर दिया गया है तो गन्ने का उत्पादन अगले वर्ष बहुत ज्यादा होगा, परिणामस्वरूप हम आत्मनिर्भर हो ही जायेंगे ।

हमारे मित्र ने कहा कि ओ०जी०एल० के अन्तर्गत हमने चीनी इम्पोर्ट करने के लिए कहा है । ओपेन जनरल लाइसेंस में कोई आदमी चाहेकस्टम ड्यूटी माफ कर दी गयी है––वह चीनी बाहर से खरीदकर अपने देश में ला सकता है । गवर्नमेंट नहीं ला रही है कोई गवर्नमेंट का फूड कारपोरेशन आफ इंडिया नहीं ला रहा है, कोई एस०टी०सी० नहीं ला रही है । ओपेन जनरल लाइसेंस के अंतर्गत यह एलाउ किया गया है । श्री संघ प्रिय गौतम जी भी चाहें तो ओ०जी०एल० के अदर ला सकते हैं और हमारे मारकेट को कंट्रोल करने में हमारी मदद कर सकते हैं ।

अभी हमारे एक मित्र ने लाठी गोली की बात कही । आपको मालूम है जिस समय किसानों पर लाठी-गोली चली, कई किसान मर गए । उस समय उत्तर प्रदेश में किसकी सरकार थी ? गौतम जी, आप बताइये किसकी सरकार थी ? . . . (व्यवधान) में कोई बहस नहीं . . . (व्यवधान)

श्री अनन्तराय देवशंकर दवे : अभी कसान आंदोलन में किसान मर गए . . . (व्यवधान)

श्री कल्पनाथ राय : देखिए, हम यह बात नहीं कहना चाहते, किसी पर आरोप-प्रत्यारोप नहीं लगाना चाहते, लेकिन इतना जानना चाहिए कि जिस समय 475 करोड़ रुपये बकाया था और यह बकाया किस प्रदेश में था ? कहां उस बकाया के लिए लाठी-गोलीप चली, यह आप अच्छी तरह से जानते हैं । थे आपसे निवेदन कर रहा हूं, यह सरकार गन्ने का उत्पादन बढ़ाने के लिए कृत-संकल्प है चीनी के मामले में आत्म-निर्भरता लाने के लिए और हिन्दुस्तान के किसानों को सब से ज्यादा गन्ने का दाम कोई दिया है तो कांग्रेस की सरकार ने दिया है । य सौभाग्य आपको नहीं मिला है । इसलिए ऐसी बातें ठीक नहीं । दूसरी बात आपने कही कि 8वीं पंचवर्षीय योजना में फैसला हुआ कि 25 लाख टन अतिरिक्त चीनी हम पैदा करेंगे । चीनी बनाने के लिए हमें गन्ना मिल चाहिए । हमारे खाद्य मंत्रालय ने 80 गन्ना मिलों को लाइसेंस देने की सिफारिश इंडस्ट्रियल डिवैलपमेंट मिनिस्ट्री को किया है जिसमें 42 लाइसेंस जारी हो गए हैं और केवल आन्ध्र में 15 लाइसेंस जारी हुए हैं । आप इतने पढ़े-लिखे सदस्य होकर कह रहे हैं कि एक भी, 15 लाइसेंस आपके प्रदेश में इश्यू हो चुके हैं और 42 लाइसेंस पूरे हिन्दुस्तान में, 80 लाइसेंस की हमने सिफारिश की है और जब ये लाइसेंसज मिल जायेंगे तो 8वीं पंचवर्षीय योजना का जो उद्देश्य था 25 लाख टन अतिरिक्त चीनी का वह लक्ष्य पूरा हो जाएगा । विश्वास रखिए कांग्रेस सरकार के नेतृत्व में हिन्दुस्तान हर मामले में आत्म-निर्भर होगा । आप कोई प्रॉफिट आफ डूम मत बनिए, भविष्य को सुन्दर बनाने का सपना देखिए ।

इन शब्दों के साथ धन्यवाद ।

SHRI GOPARLSINH G. SOLANKI (Gujarat): The Minister has not answered my question relating to the number of applications pending issue of licences to sugar factories in Guarat.

THE VICE-CHAIRMAN (SYED SIBTEY RAZI): Now statement by the Minister of Petroleum and Natural Gas, Capt. Satish Sharma.

STATEMENT BY MINISTER ACCIDENTIAL DEATHS IN A FEW DISTRICT OF RAJASTHAN ON ACCOUNT OF CONTAMINATED SKO

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS (CAPT. SATISH SHARMA): Sir, with great sorrow, I wish to inform the House of the unfortunate incident in certain parts of Rajasthan in which 27 persons so far have lost their lives and a number of persons injured as result of the use of contaminated kerosene.

2. An intimation was received from the State Government of Rajasthan telephonically in the evening of 9th March, 1994, informing about some deaths in Jhalawar and Baran districts of Rajasthan on account of accidents occurring due to the use of kerosene by persons in their houses, etc. Senior Officers of the IOC from Northern Region Head Office Delhi and an Officer of Oil Industry Safety Directorate were directed to proceed to Rajasthan immediately and investigate into the matter in association with the State Government officials and also take action for withdrawal of suspected contaminated SKO for preventing any similar accidents. Executive Director, Northern Region of IOC and officers from Head Office, IOC, Bombay also reached Kota and carried out investigations. IOC constituted an Internal Committee headed by General Manager (Markg. Operations), Northern Region to conduct the enquiry and find out the cause of accidents and the contamination of SKO, etc. As later, reports of more deaths came in, it was considered necesary to appoint a high level. Enquiry Committee. Accordingly, an Enquiry Committee has been constituted by the Ministry of Petroleum and Natural Gas, consisting of the following officers:—

(i) Executive Director, Oil Industry Safety Directorate—Chairman.

(ii) A representative of Chief Controller of Explosives: Member

(iii) Shri S. K. Khosla, GM (O and M), IBP Co., Bombay. Member.

(iv) Shri R. K. Mulla, GM (Ops.), HO, HPCL; Bombay. Member.

(v) A representative of State Government of Rajasthan. :Member

3. The terms of reference of enquiry by the Enquiry Committee with be as follows:—

(i) To establish the cause (s) of deaths and other injuries due to the accidents on account of use of kerosene.

(ii) To determine the nature and causes of accidents.

(iii) Source of supply of SKO causing accidents and its mode of transportation, distribution and sale to the consumers.

(iv) Whether the IOC and BPC officials followed the instructions on quality control and safety precautions and other procedures prescribed in the operations Manual, particularly, in view of the instructions issued after accidents in Cochin.

(v) To determine responsibility of persons on account of whose negligence the accidents accured.

(vi) To suggest measures to prevent such accidents and happenings in future.

(vii) Any other relevant matters.

4. According to the information collected from the State Government, 27 persons are reported to have died on account of the accidents by use of contaminated SKO. 225 persons got burn injuries out the which 85 are still in hospitals. The districts affected are Jabalwar, Baran, Kota, Bundi and Chittorgarh.